

# Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name <b>TOWNSHIP OF SPARTA</b>	County <b>KENT</b>
Audit Date <b>3/31/04</b>	Opinion Date <b>5/14/04</b>	Date Accountant Report Submitted to State: <b>9/10/04</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:


1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) <b>Siegfried Crandall PC</b>			
Street Address <b>246 East Kilgore Road</b>		City <b>Kalamazoo</b>	State <b>MI</b>
		ZIP <b>49002-5599</b>	
Accountant Signature 		Date <b>9/10/04</b>	

*Township of Sparta*  
*Kent County, Michigan*  
**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT**  
*Year ended March 31, 2004*

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**INDEPENDENT AUDITORS' REPORT**

**Board of Trustees  
Township of Sparta, Michigan**

We have audited the accompanying general purpose financial statements of the Township of Sparta, Michigan, as of March 31, 2004, and for the year then ended, as listed in the contents. These general purpose financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Township of Sparta, Michigan, as of March 31, 2004, and the results of its operations and the cash flows of its nonexpendable trust fund for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplementary information, as listed in the contents, is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Township of Sparta, Michigan. The information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

*Siegfried Crandall P.C.*

**May 14, 2004**

## **GENERAL PURPOSE FINANCIAL STATEMENTS**

**Township of Sparta****COMBINED BALANCE SHEET - all fund types and account group**

March 31, 2004

ASSETS	<u>Governmental fund types</u>		<u>Fiduciary fund types</u>
	<u>General</u>	<u>Special revenue</u>	<u>Trust and agency</u>
Cash	\$ 687,526	\$ 31,219	\$ 46,725
Investments	183,003	-	-
Taxes receivable	16,501	-	-
Due from other governmental units	43,361	-	-
Fixed assets	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL ASSETS	<u>\$ 930,391</u>	<u>\$ 31,219</u>	<u>\$ 46,725</u>
LIABILITIES AND FUND EQUITY			
LIABILITIES:			
Accounts payable	\$ 8,813	\$ -	\$ -
Accrued expenses	580	-	-
Due to other governmental units	2,773	-	42
Customer deposits	4,313	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>16,479</u>	<u>-</u>	<u>42</u>
FUND EQUITY:			
Investment in general fixed assets	-	-	-
Fund balance:			
Reserved for perpetual care	-	-	46,683
Unreserved:			
Designated	139,143	-	-
Undesignated	774,769	31,219	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total fund equity	<u>913,912</u>	<u>31,219</u>	<u>46,683</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 930,391</u>	<u>\$ 31,219</u>	<u>\$ 46,725</u>

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<i>Account group</i>	<i>Totals</i>
<i>General fixed assets</i>	<i>(memorandum only)</i>
\$ -	\$ 765,470
-	183,003
-	16,501
-	43,361
<u>1,230,511</u>	<u>1,230,511</u>
<u>\$ 1,230,511</u>	<u>\$ 2,238,846</u>

\$ -	\$ 8,813
-	580
-	2,815
<u>-</u>	<u>4,313</u>
<u>-</u>	<u>16,521</u>

1,230,511	1,230,511
-	46,683
-	139,143
<u>-</u>	<u>805,988</u>
<u>1,230,511</u>	<u>2,222,325</u>
<u>\$ 1,230,511</u>	<u>\$ 2,238,846</u>

See notes to financial statements

**Township of Sparta****COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - all governmental fund types***Year ended March 31, 2004*

	<u>General</u>	<u>Special revenue</u>	<u>Totals (memorandum only)</u>
REVENUES:			
Taxes	\$ 275,722	\$ 47,953	\$ 323,675
Licenses and permits	60,540	-	60,540
State grants	323,260	11,313	334,573
Charges for services	42,414	-	42,414
Fines and forfeitures	-	19,725	19,725
Interest and rentals	20,715	195	20,910
Other	13,403	11,570	24,973
Total revenues	<u>736,054</u>	<u>90,756</u>	<u>826,810</u>
EXPENDITURES:			
Legislative	7,981	-	7,981
General government	355,137	-	355,137
Public safety	238,184	47,953	286,137
Public works	37,907	-	37,907
Economic and community development	22,958	-	22,958
Recreation and cultural	9,620	148,109	157,729
Capital outlay	6,903	680	7,583
Total expenditures	<u>678,690</u>	<u>196,742</u>	<u>875,432</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>57,364</u>	<u>(105,986)</u>	<u>(48,622)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	118,500	118,500
Operating transfers out	<u>(118,500)</u>	<u>-</u>	<u>(118,500)</u>
Total other financing sources (uses)	<u>(118,500)</u>	<u>118,500</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(61,136)</u>	<u>12,514</u>	<u>(48,622)</u>
FUND BALANCE - BEGINNING OF YEAR	<u>975,048</u>	<u>18,705</u>	<u>993,753</u>
FUND BALANCE - END OF YEAR	<u>\$ 913,912</u>	<u>\$ 31,219</u>	<u>\$ 945,131</u>

*See notes to financial statements*



**Township of Sparta****COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES - BUDGET AND ACTUAL -general and special revenue funds**

Year ended March 31, 2004

	<i>General</i>		
	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
REVENUES:			
Taxes	\$ 270,850	\$ 275,722	\$ 4,872
Licenses and permits	50,150	60,540	10,390
State grants	354,000	323,260	(30,740)
Charges for services	41,000	42,414	1,414
Fines and forfeitures	-	-	-
Interest and rentals	30,000	20,715	(9,285)
Other	8,256	13,403	5,147
Total revenues	<u>754,256</u>	<u>736,054</u>	<u>(18,202)</u>
EXPENDITURES:			
Legislative	7,150	7,981	(831)
General government	320,096	355,137	(35,041)
Public safety	237,650	238,184	(534)
Public works	24,850	37,907	(13,057)
Economic and community development	29,000	22,958	6,042
Recreation and cultural	4,000	9,620	(5,620)
Capital outlay	10,000	6,903	3,097
Total expenditures	<u>632,746</u>	<u>678,690</u>	<u>(45,944)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>121,510</u>	<u>57,364</u>	<u>(64,146)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	(118,500)	(118,500)	-
Total other financing sources (uses)	<u>(118,500)</u>	<u>(118,500)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	3,010	(61,136)	(64,146)
FUND BALANCE - BEGINNING OF YEAR	<u>975,048</u>	<u>975,048</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 978,058</u>	<u>\$ 913,912</u>	<u>\$ (64,146)</u>

<i>Special revenue</i>			<i>Totals (memorandum only)</i>		
<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
\$ 47,953	\$ 47,953	\$ -	\$ 318,803	\$ 323,675	\$ 4,872
-	-	-	50,150	60,540	10,390
7,650	11,313	3,663	361,650	334,573	(27,077)
-	-	-	41,000	42,414	1,414
18,400	19,725	1,325	18,400	19,725	1,325
2,500	195	(2,305)	32,500	20,910	(11,590)
8,700	11,570	2,870	16,956	24,973	8,017
<u>85,203</u>	<u>90,756</u>	<u>5,553</u>	<u>839,459</u>	<u>826,810</u>	<u>(12,649)</u>
-	-	-	7,150	7,981	(831)
-	-	-	320,096	355,137	(35,041)
47,953	47,953	-	285,603	286,137	(534)
-	-	-	24,850	37,907	(13,057)
-	-	-	29,000	22,958	6,042
154,250	148,109	6,141	158,250	157,729	521
1,500	680	820	11,500	7,583	3,917
<u>203,703</u>	<u>196,742</u>	<u>6,961</u>	<u>836,449</u>	<u>875,432</u>	<u>(38,983)</u>
<u>(118,500)</u>	<u>(105,986)</u>	<u>12,514</u>	<u>3,010</u>	<u>(48,622)</u>	<u>(51,632)</u>
118,500	118,500	-	118,500	118,500	-
-	-	-	(118,500)	(118,500)	-
<u>118,500</u>	<u>118,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	12,514	12,514	3,010	(48,622)	(51,632)
<u>18,705</u>	<u>18,705</u>	<u>-</u>	<u>993,753</u>	<u>993,753</u>	<u>-</u>
<u>\$ 18,705</u>	<u>\$ 31,219</u>	<u>\$ 12,514</u>	<u>\$ 996,763</u>	<u>\$ 945,131</u>	<u>\$ (51,632)</u>

See notes to financial statements

***Township of Sparta***

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -**

***Nonexpendable Trust Fund***

*Year ended March 31, 2004*

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EXCESS OF REVENUES OVER OTHER USES	\$ -
FUND BALANCE - BEGINNING OF YEAR	<u>46,683</u>
FUND BALANCE - END OF YEAR	<u>\$ 46,683</u>

***Township of Sparta***

**STATEMENT OF CASH FLOWS - *Nonexpendable Trust Fund***

*Year ended March 31, 2004*

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Increase in cash	\$ -
Cash - beginning of year	<u>46,683</u>
Cash - end of year	<u>\$ 46,683</u>

*See notes to financial statements*

***Township of Sparta***  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The accounting policies of the Township of Sparta, Michigan (the Township), conform to U.S. generally accepted accounting principles (hereinafter referred to as generally accepted accounting principles) as applicable to governments. The following is a summary of the more significant accounting policies:

*a) Reporting entity:*

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, these financial statements present the Township. The criteria established by the GASB for determining the reporting entity includes oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included. The Township has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a blended or discretely-presented component unit in the Township's financial statements.

*b) Basis of presentation:*

The accounts of the Township are organized on the basis of funds and an account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The financial activities of the Township are recorded in the separate funds and account group, categorized, and described as follows:

*i) Governmental funds:*

General Fund - this fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund. Revenues are primarily derived from state distributions and property taxes.

Special revenue funds - these funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

*ii) Fiduciary funds:*

Trust and agency funds - these funds are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organization, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**Township of Sparta**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

*c) Basis of accounting:*

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements.

All governmental fund types are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available to finance expenditures of the fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

The nonexpendable trust fund is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned and its expenses are recognized when they are incurred. The Township has elected to follow (1) all GASB pronouncements and (2) Financial Accounting Standards Board statements and interpretations, Accounting Principles Board opinions, and Accounting Research Bulletins issued on or before November 30, 1989, except those that conflict with a GASB pronouncement.

*d) Budgets and budgetary accounting:*

The Township follows the procedures in establishing the budgetary data reflected in the financial statements in accordance with the Uniform Budgeting and Accounting Act (Act No. 621, Public Acts of 1978) as prescribed by the State of Michigan.

Budgets for the general and special revenue funds are adopted at the functional level and are on a basis consistent with generally accepted accounting principles.

*e) Property tax:*

Property taxes are levied as of December 1 on property values assessed as of December 31 of the prior year. The billings are due on February 14 (with a final collection date of February 28) after which time the bill becomes delinquent and penalties and interest may be assessed by the Township. The Township considers property taxes levied December 1 as revenue of the current year.

*f) Totals (memorandum only):*

Total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation as interfund eliminations have not been made.

**Township of Sparta**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**NOTE 2 - DEPOSITS AND INVESTMENTS:**

A reconciliation of cash and investments to the Township's deposits and investments, as presented in the combined balance sheet, is as follows:

*Financial statements:*

Cash	\$765,470
Investments	<u>183,003</u>
	<u>\$948,473</u>

*Notes to financial statements:*

Deposits	\$765,470
Investments	<u>183,003</u>
	<u>\$948,473</u>

*Deposits with financial institutions:*

At March 31, 2004, the Township had deposits with a carrying amount of \$765,470 and a bank balance of \$799,903. Of the bank balance, \$359,398 is covered by federal depository insurance, and \$440,505 is uninsured.

*Investments:*

State statutes authorize the Township to invest in a) obligations of the U.S. Treasury, agencies, and instrumentalities; b) commercial paper, with three (3) highest rate classifications by at least two (2) rating services, maturing not later than 270 days; c) repurchase agreements, collateralized by U.S. governmental securities; d) bankers' acceptances; e) mutual funds; and f) investment pools organized under the local government investment pool act.

The Township's investments, in the amount of \$183,003, consist of non-risk categorized holdings in the Kent County Investment Pool. The investment, held in the Township's name, is recorded at cost, which approximates fair value.

**NOTE 3 - FIXED ASSETS:**

The following is a schedule of changes in general fixed assets:

	<i>Balance April <u>1, 2003</u></i>	<i><u>Additions</u></i>	<i><u>Deductions</u></i>	<i>Balance March <u>31, 2004</u></i>
Land, buildings, and equipment	<u>\$1,223,668</u>	<u>\$6,843</u>	<u>\$ -</u>	<u>\$1,230,511</u>

***Township of Sparta***  
**NOTES TO FINANCIAL STATEMENTS (*Continued*)**

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**NOTE 4 - PENSION PLAN:**

The Township provides pension benefits for all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate from the date of employment. Contributions range from \$600 to \$1,800 per employee. The Township's contributions are fully vested immediately. The Township is not a trustee of the plan, nor is the Township responsible for investment management of plan assets.

The Township made the required contributions of \$9,630 for the year ended March 31, 2004.

**NOTE 5 - RISK MANAGEMENT:**

The Township is exposed to various risks of loss to general liability, property and casualty, and workers' compensation.

The risks of loss arising from general liability up to \$2,000,000, building contents, workers' compensation, and casualty are managed through purchased commercial insurance.

**NOTE 6 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS:**

P.A. 621 of 1978, Section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been presented on a functional basis. The approved budgets of the Township for these budgetary funds were adopted at the functional level.

The following schedule sets forth significant budget variations:

<u>Fund</u>	<u>Function</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General	General government	\$320,096	\$355,137	\$35,041
	Public works	24,850	37,907	13,057
	Recreation and cultural	4,000	9,620	5,620

***Township of Sparta***  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**NOTE 7 - JOINT VENTURE:**

The Township is a member of the Sparta Fire Department (the Department); a joint venture of the Township and the Village of Sparta (the Village), formed September 1994, to provide fire protection within the participating municipalities. The Township does not have an equity interest in the Department. Costs of operations and capital expenditures are supported by contributions from the participating municipalities. The Township contributes two-thirds and the Village contributes one-third of the Department's proposed budget. The Department is managed by a board that consists of three members from each of the participating units. During the year ended March 31, 2004, the Township contributed \$237,767 to the Department. As of March 31, 2004, the Department has long-term debt of \$106,090. It did not experience a deficit. Separate financial statements of the joint venture may be obtained from the Sparta Fire Department.

**NOTE 8 - CONSTRUCTION CODE ACT:**

A summary of construction code enforcement transactions for the year ended March 31, 2004, are as follows:

Permit revenues		\$55,383
Expenses:		
Direct	\$42,424	
Indirect	<u>11,667</u>	
		<u>54,091</u>
Excess of revenues over expenses		<u>\$ 1,292</u>



## **SUPPLEMENTARY INFORMATION**

**Township of Sparta****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - General Fund***Year ended March 31, 2004*

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	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
Taxes:			
Property taxes	\$ 192,150	\$ 196,913	\$ 4,763
Tax collection fees	70,100	71,493	1,393
Trailer park fees	3,100	2,753	(347)
Penalties and interest	5,500	4,563	(937)
Total taxes	<u>270,850</u>	<u>275,722</u>	<u>4,872</u>
Licenses and permits:			
Planning and zoning application fees	5,000	5,000	-
Construction code inspection permits	45,000	55,383	10,383
Dog licenses	150	157	7
Total licenses and permits	<u>50,150</u>	<u>60,540</u>	<u>10,390</u>
State grants:			
State shared revenue	354,000	322,023	(31,977)
Metro Act	-	1,237	1,237
Total state grants	<u>354,000</u>	<u>323,260</u>	<u>(30,740)</u>
Charges for services:			
Cable television franchise fees	20,000	23,463	3,463
Grave openings	11,000	11,275	275
Sale of graves	9,000	4,100	(4,900)
Other	1,000	3,576	2,576
Total charges for services	<u>41,000</u>	<u>42,414</u>	<u>1,414</u>
Interest and rentals	<u>30,000</u>	<u>20,715</u>	<u>(9,285)</u>
Other	<u>8,256</u>	<u>13,403</u>	<u>5,147</u>
Total revenues	<u>754,256</u>	<u>736,054</u>	<u>(18,202)</u>

**Township of Sparta****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE - BUDGET AND ACTUAL - General Fund (Continued)***Year ended March 31, 2004*

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	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
EXPENDITURES:			
Legislative - Board of Trustees	<u>\$ 7,150</u>	<u>\$ 7,981</u>	<u>\$ (831)</u>
General government:			
Supervisor	21,096	22,296	(1,200)
Assessor	31,700	31,657	43
Elections	2,000	1,049	951
Professional services	38,000	61,885	(23,885)
Clerk	38,100	39,519	(1,419)
Board of review	1,350	1,350	-
Treasurer	36,500	39,570	(3,070)
Township hall	28,300	37,579	(9,279)
Historical commission	6,000	8,616	(2,616)
Cemetery	49,900	47,238	2,662
Other	<u>67,150</u>	<u>64,378</u>	<u>2,772</u>
Total general government	<u>320,096</u>	<u>355,137</u>	<u>(35,041)</u>
Public safety:			
Fire protection	192,800	195,760	(2,960)
Ambulance	4,000	-	4,000
Construction code inspections	<u>40,850</u>	<u>42,424</u>	<u>(1,574)</u>
Total public safety	<u>237,650</u>	<u>238,184</u>	<u>(534)</u>
Public works:			
Road construction and maintenance	23,000	31,230	(8,230)
Drains	500	4,854	(4,354)
Street lighting	<u>1,350</u>	<u>1,823</u>	<u>(473)</u>
Total public works	<u>24,850</u>	<u>37,907</u>	<u>(13,057)</u>

**Township of Sparta****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE - BUDGET AND ACTUAL - General Fund (Continued)***Year ended March 31, 2004*

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	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
EXPENDITURES (Continued):			
Economic and community development:			
Planning and zoning	\$ 11,000	\$ 12,817	\$ (1,817)
Community development	<u>18,000</u>	<u>10,141</u>	<u>7,859</u>
Total economic and community development	<u>29,000</u>	<u>22,958</u>	<u>6,042</u>
Recreation and cultural - library	<u>4,000</u>	<u>9,620</u>	<u>(5,620)</u>
Capital outlay	<u>10,000</u>	<u>6,903</u>	<u>3,097</u>
Total expenditures	<u>632,746</u>	<u>678,690</u>	<u>(45,944)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>121,510</u>	<u>57,364</u>	<u>(64,146)</u>
OTHER FINANCING USES -			
Operating transfers out - Library Fund	<u>(118,500)</u>	<u>(118,500)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES	3,010	(61,136)	(64,146)
FUND BALANCE - BEGINNING OF YEAR	<u>975,048</u>	<u>975,048</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 978,058</u>	<u>\$ 913,912</u>	<u>\$ (64,146)</u>

**Township of Sparta**  
**COMBINING BALANCE SHEET - special revenue funds**  
March 31, 2004

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	<u>Library</u>	<u>Fire</u>	<u>Totals</u>
ASSETS			
Cash	<u>\$ 31,219</u>	<u>\$ -</u>	<u>\$ 31,219</u>
FUND BALANCE			
Unreserved - designated	<u>\$ 31,219</u>	<u>\$ -</u>	<u>\$ 31,219</u>

**Township of Sparta****COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - *special revenue funds****Year ended March 31, 2004*

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	<u>Library</u>	<u>Fire</u>	<u>Totals</u>
REVENUES:			
Property taxes	\$ -	\$ 47,953	\$ 47,953
State grants	11,313	-	11,313
Fines and forfeitures	19,725	-	19,725
Interest	195	-	195
Other	<u>11,570</u>	<u>-</u>	<u>11,570</u>
Total revenues	<u>42,803</u>	<u>47,953</u>	<u>90,756</u>
EXPENDITURES:			
Public safety	-	47,953	47,953
Recreation and cultural	148,109	-	148,109
Capital outlay	<u>680</u>	<u>-</u>	<u>680</u>
Total expenditures	<u>148,789</u>	<u>47,953</u>	<u>196,742</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(105,986)	-	(105,986)
OTHER FINANCING SOURCES:			
Operating transfers in	<u>118,500</u>	<u>-</u>	<u>118,500</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	12,514	-	12,514
FUND BALANCE - BEGINNING OF YEAR	<u>18,705</u>	<u>-</u>	<u>18,705</u>
FUND BALANCE - END OF YEAR	<u>\$ 31,219</u>	<u>\$ -</u>	<u>\$ 31,219</u>

**Township of Sparta****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - Library Fund***Year ended March 31, 2004*

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	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
State grants - state aid	\$ 7,650	\$ 11,313	\$ 3,663
Fines and forfeitures	18,400	19,725	1,325
Interest	2,500	195	(2,305)
Donations	4,750	7,267	2,517
Other	<u>3,950</u>	<u>4,303</u>	<u>353</u>
Total revenues	<u>37,250</u>	<u>42,803</u>	<u>5,553</u>
EXPENDITURES:			
Recreation and cultural:			
Wages	97,650	90,314	7,336
Payroll taxes	7,500	6,909	591
Education and training	750	617	133
Supplies	3,650	3,383	267
Contractual services	13,000	13,062	(62)
Telephone	1,600	1,620	(20)
Utilities	11,700	10,350	1,350
Repairs and maintenance	2,600	3,070	(470)
Books, audios, and magazines	11,000	10,932	68
Programs	500	443	57
Miscellaneous	<u>4,300</u>	<u>7,409</u>	<u>(3,109)</u>
Total recreation and cultural	154,250	148,109	6,141
Capital outlay	<u>1,500</u>	<u>680</u>	<u>820</u>
Total expenditures	<u>155,750</u>	<u>148,789</u>	<u>6,961</u>

***Township of Sparta***

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - *Library Fund (Continued)***

*Year ended March 31, 2004*

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	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	\$ (118,500)	\$ (105,986)	\$ 12,514
OTHER FINANCING SOURCES:			
Operating transfers in - General Fund	<u>118,500</u>	<u>118,500</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	-	12,514	12,514
FUND BALANCE - BEGINNING OF YEAR	<u>18,705</u>	<u>18,705</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 18,705</u>	<u>\$ 31,219</u>	<u>\$ 12,514</u>



***Township of Sparta***

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL- *Fire Fund***

*Year ended March 31, 2004*

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	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
Property taxes	\$ 47,953	\$ 47,953	\$ -
EXPENDITURES:			
Public safety	<u>47,953</u>	<u>47,953</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE - BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Township of Sparta**  
**COMBINING BALANCE SHEET - fiduciary fund types**  
March 31, 2004

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	<u>Nonexpendable Trust Fund</u>	<u>Agency funds</u>		<u>Totals</u>
	<u>Cemetery Endowment</u>	<u>Agency</u>	<u>Tax Collection</u>	<u>(memorandum only)</u>
<b>ASSETS</b>				
Cash	\$ 46,683	\$ -	\$ 42	\$ 46,725
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities - Due to other governmental units	\$ -	\$ -	\$ 42	\$ 42
Fund balance - Reserved for perpetual care	46,683	-	-	46,683
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 46,683</b>	<b>\$ -</b>	<b>\$ 42</b>	<b>\$ 46,725</b>

**Township of Sparta****COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -****all agency funds**

Year ended March 31, 2004

	<i>Balance April 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance March 31, 2004</i>
<b>AGENCY FUND</b>				
<b>ASSETS</b>				
Cash	\$ -	\$ 37,715	\$ 37,715	\$ -
<b>LIABILITIES</b>				
Due to other funds	\$ -	\$ 4,558	\$ 4,558	\$ -
Due to other governmental units	-	31,986	31,986	-
Due to others	-	1,171	1,171	-
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>\$ 37,715</b>	<b>\$ 37,715</b>	<b>\$ -</b>
<b>TAX COLLECTION FUND</b>				
<b>ASSETS</b>				
Cash	\$ -	\$ 5,771,375	\$ 5,771,333	\$ 42
<b>LIABILITIES</b>				
Due to other funds	\$ -	\$ 290,824	\$ 290,824	\$ -
Due to other governmental units	-	5,459,105	5,459,063	42
Due to others	-	21,446	21,446	-
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>\$ 5,771,375</b>	<b>\$ 5,771,333</b>	<b>\$ 42</b>
<b>TOTAL - ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash	\$ -	\$ 5,809,090	\$ 5,809,048	\$ 42
<b>LIABILITIES</b>				
Due to other funds	\$ -	\$ 295,382	\$ 295,382	\$ -
Due to other governmental units	-	5,491,091	5,491,049	42
Due to others	-	22,617	22,617	-
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>\$ 5,809,090</b>	<b>\$ 5,809,048</b>	<b>\$ 42</b>